

Let Us Finance a House for You!



- **Buy an Existing House ... *or* Construct a New One**
- **100% Financing**
- **No Down Payment Requirement**
- **No Cost for Pre-qualification**
- **Lower Payments Based on Income**

How to Pre-Qualify:

- **Complete the Pre-Qualification Information Sheet and the Authorization to Release Information form and return them to the Rural Development Office nearest you.**
- **Please contact the respective Rural Development Specialist with any questions you may have about our program**

We Can Help!

Last updated: October 3, 2005

USDA Rural Development is an Equal Opportunity Lender, Provider, and Employer.

To File a Complaint of Discrimination write USDA, Director, Office of Civil Rights, 1400 Independence Avenue, S.W., Washington, DC 20250-9410 or call (800) 795-3272 (voice) or (202) 720-6382 (TDD.)

RURAL DEVELOPMENT SPECIALISTS

VERMONT

<i>Chittenden, Franklin and Grand Isle Counties</i>	<i>Caledonia, Essex and Orleans Counties</i>	<i>Addison, Bennington and Rutland Counties</i>
<p>Rita Weisburgh USDA, Rural Development 27 Fisher Pond Road, Suite 8 St. Albans, Vermont 05478 (802) 524-6503, x 102 FAX (802) 524-4575 rita.weisburgh@vt.usda.gov</p>	<p>Steve Campbell steven.campbell@vt.usda.gov Cheryl Ducharme cheryl.ducharme@vt.usda.gov USDA, Rural Development 481 Summer Street, Suite 203 St. Johnsbury, Vermont 05819 (802) 748-8746 FAX (802) 748-1621</p>	<p>Susan Poland USDA, Rural Development 170 South Main Street at Trolley Square Rutland, Vermont 05701 (802) 775-8957, x 19 FAX (802) 773-4177 susan.poland@vt.usda.gov</p>
<i>Bennington, Windham, and Windsor Counties</i>		<i>Lamoille, Orange and Washington Counties</i>
<p>Deborah Boyd USDA, Rural Development 28 Vernon Street, Suite 333 Brattleboro, Vermont 05301 (802) 257-7878, x 102 FAX (802) 254-3307 deborah.boyd@vt.usda.gov</p>		<p>Jason Perkins USDA, Rural Development City Center, 3rd Floor 89 Main Street Montpelier, Vermont 05602 (802) 828-6016 FAX (802) 828-6076 jason.perkins@vt.usda.gov</p>

NEW HAMPSHIRE

<i>Belknap, Hillsborough and Merrimack Counties</i>	<i>Carroll County</i>	<i>Coos County</i>
<p>Daphne Feeney USDA, Rural Development Box 317, Suite 218 10 Ferry Street, Concord, NH 03301 (603) 223-6035 FAX (603) 223-6061 daphne.feeney@nh.usda.gov</p>	<p>Anne Getchell USDA, Rural Development 51 White Mountain Highway PO Box 1020 Conway, NH 03818 (603) 447-3318 FAX: (603) 447-3304 anne.getchell@nh.usda.gov</p>	<p>Janice Gingras USDA, Rural Development 15 Mount Forist PO Box 330 Berlin, NH 03570 (603) 752-1328 FAX (603) 752-1354 janice.gingras@nh.usda.gov</p>
<i>Cheshire and Sullivan Counties</i>	<i>Grafton County</i>	<i>Rockingham and Strafford Counties</i>
<p>Laura Gibson USDA, Rural Development 28 Vernon Street, Suite 333 Brattleboro, Vermont 05301 (802) 257-7878, x 112 FAX (802) 254-3307 laura.gibson@nh.usda.gov</p>	<p>Richard M. Roderick USDA, Rural Development 250 Swiftwater Road, Suite 3 Woodsville, NH 03785 603-747-2777 x102 FAX (603) 747-3477 richard.roderick@nh.usda.gov</p>	<p>Carolyn Chute-Festervan USDA, Rural Development Telly's Plaza, 241 Calef HWY Epping, NH 03042 (603) 679-4650, x 102 FAX (603) 679-4658 carolyn.chute-festervan@nh.usda.gov</p>

PURPOSE OF THE PROGRAM

To provide direct loan funds to low income applicants who do not qualify for conventional financing.

ELIGIBILITY REQUIREMENTS

- Does not presently own adequate housing.
- Be a U.S. citizen or permanent resident.
- Personally occupy the dwelling.
- Have adequate and dependable income.
- Have a good credit history.
- Show adequate repayment ability for the loan request. The housing loan payment, real estate taxes and property insurance cannot exceed 29% of monthly gross income for very-low income applicants or 33% for low income applicants. The total debt payments, including the housing costs, cannot exceed 41% of the applicant's gross income.
- Have adjusted household income that does not exceed the RD limit listed on the attached Income Limits Worksheet.

ELIGIBLE LOAN PURPOSES

- Purchase an existing Single Family dwelling.
- Purchase a building site and construct a single family home, including manufactured homes/modular.
- New Construction must comply with accepted building codes.
- Repair qualifying single family dwellings.
- Refinanced Real Estate debts of other lenders when circumstances beyond the applicant's control show they cannot continue to make full bank payments

HOUSING REQUIREMENTS

- Homes must be modest in size and cost.
- Homes must be structurally sound and in good repair (some repairs can be made with loan funds).
- Meet RD thermal standards or be brought to these standards with loan funds:
Attic area insulated to R-38 (12" of fiberglass), Have adequate storm doors and windows.
- Homes must be located in ***rural areas***.
- Due to population, loans cannot be made in some areas. In New Hampshire: Concord, Derry, Dover, Hudson, Keene, Londonderry, Manchester, Merrimack, Nashua, Portsmouth, Rochester, Salem and parts of Goffstown and Hooksett are not eligible. In Vermont: Burlington, S. Burlington, Winooski, Essex Junction, and SE portion of Colchester are not eligible.

SITE REQUIREMENTS

- Lot must have a State and Community Acceptable on-site water and sewage disposal system, or be hooked up to municipal services. (Testing will be required on private systems).
- Lot must be a minimum adequate site.
- Lots are typically less than one acre. (Copy of zoning law needed for larger lots).
- Streets serving property must be town owned and maintained.

INELIGIBLE LOAN PURPOSES

- Finance income-producing property (in home businesses are usually acceptable).
- Finance homes with in-ground swimming pools.
- Should not be in a flood hazard area (or need life-time flood insurance).
- Finance furniture or other personal property.
- Private roads are not acceptable.
- Finance camps, existing mobile homes, duplexes, and unusual design homes.

LOAN RATES AND TERMS

- These are fixed rate, 33 year mortgages with subsidy payments based on total household income. Although the note rate is fixed, the subsidized interest is reviewed each year for possible adjustments up or down depending on household income. Payment assistance (subsidy) could be as low as 1%.

SUBSIDY RECAPTURE

- The subsidized portion of your monthly payments will accrue as a separate account. This account is subject to being repaid or recaptured at the time you sell or transfer your property to another owner. The maximum amount that could ever be recaptured will never exceed 50% of your appreciation in the property after your USDA debts, selling expenses, and any prior liens are paid off. The value appreciation is based on the appraised value and/or sales price at the time you sell or refinance. This value excludes any of your original equity or any value that resulted from improvements that you made to the property. If you refinance, you have the option to defer the final amount of recapture due (no interest will accrue if you defer payment), or you may pay it off at a 25% discount.

MAXIMUM LOAN AMOUNTS

- The Local Office has authority to approve loans whereby the total monthly debts (including proposed housing debt) cannot exceed 41% of current monthly income. In addition, the housing debt portion (mortgage payment, taxes, and insurance) typically cannot exceed 33%. RD publishes maximum purchase price limits on an annual basis. Please contact a local office for current area listings.
- Closing costs can vary and in some cases be included in the purchase of the home.

MAXIMUM INCOME LIMITS

See Attached Income Limits Worksheet

- If your income exceeds these limits, ask Rural Development about adjustments to incomes for dependent children, childcare expenses, disabled, handicapped and elderly applicants.
- You may also ask RD about our Guaranteed Housing Program administered through conventional lenders.

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Committed to the future
of rural communities.

Please use this form to calculate
your adjusted family income.

INCOME LIMITS WORKSHEET TO FIGURE YOUR ADJUSTED FAMILY INCOME

Applicant's gross income per year (Current gross weekly income x 52) include overtime

Co-applicant's gross income per year (Current gross weekly income x 52) include overtime

Other income into the home (Annual amounts) (i.e. child support, welfare, social security, bonuses, etc.)

Total Gross Income for Year

Subtract Child Care Expenses (Expenses for child care while at work)

Subtract \$480.00 for each child

Adjusted Family Income

If you are elderly or disabled ask the Rural Development staff for additional deductions to which you may be entitled. If your adjusted income is over the direct income limits, you may want to inquire about the Rural Development Guaranteed loan program, which has higher income limits and also does not have a down payment requirement.

All applicants must have projected (next 12 months) household income below the "Direct" income threshold to be eligible for Direct Rural Development loans.

NEW HAMPSHIRE MAXIMUM INCOME LIMITS (revised 03/3/2005)

COUNTY	1 PERSON	2 PEOPLE	3 PEOPLE	4 PEOPLE	5 PEOPLE	6 PEOPLE
Belknap, Carroll, Cheshire, Coos, Grafton, Sullivan	\$33,750	\$38,600	\$43,400	\$48,250	\$52,100	\$55,950
Hillsborough	\$37,500	\$42,900	\$48,250	\$53,600	\$57,900	\$62,200
Merrimack	\$36,600	\$41,850	\$47,100	\$52,300	\$56,500	\$60,700
Rockingham	\$40,600	\$46,400	\$52,200	\$58,000	\$62,650	\$67,300
Strafford	\$38,300	\$43,800	\$49,250	\$54,700	\$59,100	\$63,500

- Loans cannot be made in Concord, Derry, Dover, Hudson, Keene, Londonderry, Manchester, Merrimack, Nashua, Portsmouth, Rochester, Salem and parts of Goffstown and Hooksett, are not eligible due to population density.

VERMONT MAXIMUM INCOME LIMITS (revised 03/3/2005)

COUNTY	1 PERSON	2 PEOPLE	3 PEOPLE	4 PEOPLE	5 PEOPLE	6 PEOPLE
Addison	\$33,550	\$38,350	\$43,150	\$47,900	\$51,750	\$55,600
Bennington	\$31,600	\$36,100	\$40,600	\$45,100	\$48,750	\$52,350
Burlington MSA	\$38,650	\$44,150	\$49,700	\$55,200	\$59,600	\$64,050
Caledonia, Essex, Franklin, Grand Isle, Lamoille, Orange, Orleans, Rutland	\$31,250	\$35,700	\$40,200	\$44,650	\$48,200	\$51,800
Chittenden	\$40,600	\$46,400	\$52,200	\$58,000	\$62,650	\$67,300
Washington	\$35,050	\$40,050	\$45,050	\$50,100	\$54,100	\$58,100
Windham	\$32,000	\$36,550	\$41,100	\$45,700	\$49,350	\$53,000
Windsor	\$33,250	\$38,000	\$42,750	\$47,500	\$51,300	\$55,100

*The towns of the Burlington Metropolitan Statistical Area (MSA) include Grand Isle, South Hero, Georgia, Charlotte, Colchester, Essex, Fairfax, Hinesburg, Jericho, Milton, Richmond, St. Albans, St. George, Shelburne, Swanton, and Williston. Loans cannot be made in Burlington, South Burlington, Winooski, the southeastern part of Colchester, and Essex Junction, due to population density.

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502 PRE-QUALIFICATION INFORMATION

Applicant #1		SS#	Age
Applicant #2		SS#	Age
Mailing Address		Town:	State Zip
		Home Phone:	Work Phone:

Do You Have a Section 8 Voucher?	Y / N	In What Town(s) Do You Want to Live: _____
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GROSS MONTHLY EMPLOYMENT INCOME FOR ALL APPLICANTS: \$

(If seasonal or self-employed, please call your Rural Development Specialist):

OTHER MONTHLY INCOME:
 Food Stamps \$ _____ AFDC/TANF \$ _____ SS/SSI _____ PENSION \$ _____ OTHER _____
 Foster Care \$ _____ STATE PUBLIC ASSISTANCE \$ _____ CHILD SUPPORT/ALIMONY \$ _____

OTHER HOUSEHOLD MEMBERS:

Other Adults		Age	Income \$
Other Adults		Age	Income \$
Children		Age	Income \$
Children		Age	Income \$
Children		Age	Income \$
Foster Child / Adult		Age	Income \$

ASSETS:

Checking Account Balance: \$ _____ Savings Account Balance: \$ _____

Stocks, Bonds, CDs: \$ _____ IRA Account Balance: \$ _____

DEBTS:

	Monthly	Balance	
Rent/Non-RHS House Payment	\$ _____	\$ _____	Real Estate Insurance \$ _____
Car/Truck Debt	\$ _____	\$ _____	Real Estate Tax \$ _____
Car/Truck Debt	\$ _____	\$ _____	Child Care Costs \$ _____
Other Vehicles/Equipment	\$ _____	\$ _____	Child Support Paid Out \$ _____
Other Debts	\$ _____	\$ _____	Un-reimbursed Medical \$ _____
Other Debts	\$ _____	\$ _____	Other RHS Loans/Grants \$ _____

- ***This does not constitute an application for financing. It is for your informational purposes only.***
- ***PLEASE SIGN AND RETURN THE ATTACHED "AUTHORIZATION TO RELEASE" FORM.***

**United States Department of Agriculture
Rural Development
Rural Housing Service**

AUTHORIZATION TO RELEASE INFORMATION

For RHS Use Only

TO: _____

RE: _____

Account or Other Identifying Number

Name of Customer

I have applied for or obtained a loan or grant from the Rural Housing Service (RHS), part of the Rural Development mission area of the United States Department of Agriculture. As part of this process or in considering me for interest credit, payment assistance, or other servicing assistance on such loan, RHS may verify information contained in my request for assistance and in other documents required in connection with the request.

I authorize you to provide to RHS for verification purposes the following applicable information:

- Past and present employment or income records.
- Bank account, stock holdings, and any other asset balances.
- Past and present landlord references
- Other consumer credit references.

If the request is for a new loan or grant, I further authorize RHS to order a consumer credit report and verify other credit information.

I understand that under the Right to Financial Privacy Act of 1978, 12 U.S.C. 3401, et seq., RHS is authorized to access my financial records held by financial institutions in connection with the consideration or administration of assistance to me. I also understand that financial records involving my loan and loan application will be available to RHS without further notice or authorization, but will not be disclosed or released by RHS to another Government agency or department or used for another purpose without my consent except as required or permitted by law.

This authorization is valid for the life of the loan.

The recipient of this form may rely on the Government's representation that the loan is still in existence.

The information RHS obtains is only to be used to process my request for a loan or grant, interest credit, payment assistance, or other servicing assistance. I acknowledge that I have received a copy of the Notice to Applicant Regarding Privacy Act Information. I understand that if I have requested interest credit or payment assistance, this authorization to release information will cover any future requests for such assistance and that I will not be renotified of the Privacy Act information unless the Privacy Act information has changed concerning use of such information.

A copy of this authorization may be accepted as an original.

Your prompt reply is appreciated.

Signature

Date

Signature

Date

Signature

Date

Signature

Date

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless as displays a valid OMB control number. The valid OMB control number for this information collection is 0575-0172. The time required to complete this information collection is estimated to average 5 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

RHS Is An Equal Opportunity Lender

SEE ATTACHED PRIVACY ACT NOTICE

NOTICE TO APPLICANT REGARDING PRIVACY ACT INFORMATION

The information requested on this form is authorized to be collected by the Rural Housing Service (RHS), Rural Business-Cooperative Services (RBS), Rural Utilities Service (RUS) or the Farm Service Agency (FSA) ("the agency") by title V of the Housing Act of 1949, as amended (42 U.S.C. 1471 et seq.) or by the Consolidated Farm and Rural Development Act (7 U.S.C. et seq.), or by other laws administered by RHS, RBS, or FSA.

Disclosure of information requested is voluntary. However, failure to disclose certain items of information requested, including your Social Security Number or Federal Identification Number, may result in a delay in the processing of an application or its rejection. Information provided may be used outside of the agency for the following purposes:

1. When a record on its face, or in conjunction with other records, indicates a violation or potential violation of law, whether civil, criminal or regulatory in nature, and whether arising by general statute or particular program statute, or by regulation, rule, or order issued pursuant thereto. disclosure may be made to the appropriate agency, whether Federal, foreign, state, local, or tribal, or other public authority responsible for enforcing, investigating or prosecuting such violation or charged with enforcing or implementing the statute, or rule, regulation, or order issued pursuant thereto. if the information disclosed is relevant to any enforcement, regulatory, investigative, or prosecutive responsibility of the receiving entity.
2. A record from this system of records may be disclosed to a Member of Congress or to a Congressional staff member in response to an inquiry of the Congressional office made at the written request of the constituent about whom the record is maintained.
3. Disclosures may be made of names, home addresses, social security numbers, and financial information to business firms in a trade area that buy chattel or crops or sell them for commission. This is an order that the agency may benefit from the purchaser notification provisions of section . 1324 of the Food Security Act of 1985 (7 U.S.C. 163(c)). The Act requires that potential purchasers of farm commodities must be advised ahead of time that a lien exists in order for the creditor to perfect its lien against such purchases.
4. Disclosures may be made from this system to consumer reporting agencies as defined in the Fair Credit Reporting Act (15 U.S.C. 1681 a(f) or the Federal Claims Collection Act (31 U.S.C. 3701 (a)(3)).
5. Disclosure of the name, home address, and information concerning default on loan repayment when the default involves a security interest in tribal allotted or trust land. Pursuant to 42 U.S.C. 1479(d), liquidation may be pursued only after offering to transfer the account to an eligible tribal member, the tribe, or the Indian Housing Authority serving the tribe(s).
6. Referral of names, home addresses, social security numbers, and financial information to a collection or servicing contractor, financial institution, or a local, State, or Federal agency, when the agency determines such referral is appropriate for servicing or collecting the borrower's account or has provided for in contracts with servicing or collection agencies.
7. It shall be a routine use of the records in this system of records to disclose them in a proceeding before a court or adjudicative body, when:
(a) the agency or any component thereof, or (b) any employee of the agency in his or her official capacity; or (c) any employee of the agency in his or her individual capacity where the agency has agreed to represent the employee; or (d) the United States is a party to litigation or has an interest in such litigation, and by careful review, the agency determines that the records are both relevant and necessary to the litigation, provided~ however, that in each case, the agency determines that disclosure of the records is a use of the information contained in the records that is compatible with the purpose for which the agency collected the records.
8. Referral of name, home address, and financial information for selected borrowers to financial consultants, advisors, lending institutions, packagers, agents, and private or commercial credit sources, when the agency determines such referral is appropriate to encourage the borrower to refinance their RHS indebtedness as required by title V of the Housing Act of 1949, as amended (41 U.S.C. 1471).
9. Referral of legally enforceable debts to the Department of the Treasury, Internal Revenue Service IRS), to be offset against any tax refund that may become due the debtor for the tax year in which the referral is made, in accordance with the IRS regulations and under the authority contained in 31 U.S.C. 3720A.
10. Referral of information regarding indebtedness to the Defense Manpower Data Center, Department of Defense, and the United States Postal Service for the purpose of conducting computer matching programs to identify and locate individuals receiving Federal salary or benefit payments and who are delinquent in their repayment of debts owed to the U.S. Government under certain programs administered by the agency in order to collect debt under the provisions of the Debt Collection Act of 1982 (5 U.S.C. 5514) by voluntary repayment, administrative or salary offset procedures, or by collection agencies.
11. Referral of names, home addresses, and financial information to lending institutions when the agency determines the individual may be financially capable of qualifying for credit with or without a guarantee.
12. Disclosure of names, home addresses, social security numbers, and financial information to lending institutions that have a lien against the same property as the agency for the purpose of the collection of the debt by the agency or the other lender. These loans can be under the direct and guaranteed loan programs.
13. Referral to private attorneys under contract with either the agency or with the Department of Justice for the purpose of foreclosure and possession actions and collection of past due accounts, in connection with the agency.
14. It shall be a routine use of the records in this system of records to disclose them to the Department of Justice when: (a) The agency or any component thereof, or (b) any employee of the agency in his or her official capacity where the Department of Justice has agreed to represent the employee; or (c) the United States Government, is a party to litigation or has an interest in such litigation, and by careful review, the agency determines that the records are both relevant and necessary to the litigation and the use of such records by the Department of justice is therefore deemed by the agency to be for a purpose that is compatible with the purpose for which the agency collected the records.
15. Referral of names, home addresses, social security numbers, and financial information to the Department of Housing and Urban Development (HUD) as a record of location utilized by Federal agencies for an automatic credit prescreening system.
16. Referral of names, home addresses, social security numbers, and financial information to the Department of Labor, state wage information collection agencies, and other Federal, state, and local agencies, as well as those responsible for verifying information furnished to qualify for Federal benefits, to conduct wage and benefit matching through manual or automated means, for the purpose of determining compliance with Federal regulations and appropriate servicing actions against those not entitled to program benefits, including possible recovery of improper benefits.
17. Referral of names, home addresses, and financial information to financial consultants, advisors, or underwriters, when the agency determines such referral is appropriate for developing packaging and marketing strategies involving the sale of agency loan assets.